City of San José
2014 Budget Priorities Survey
Report of Findings

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Public Opinion Research & Strategy

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INTRODUCTION

Between January 29 and February 6, Fairbank, Maslin, Maullin, Metz & Associates (FM3) conducted a telephone survey of 901 randomly-selected San José residents over the age of 18 to assess their views on issues related to the San José City budget. The survey questionnaire was translated and administered in both Spanish and Vietnamese, as well as in English. Survey questions were developed in consultation with City staff, and many were repeated from annual budget surveys conducted from 2007 to 2013. The sample was weighted slightly to conform to demographic data on the City's population.

In this study, one-half of the survey respondents were adult residents selected using a Random-Digit-Dial (RDD) sampling methodology – where a computer randomly generates phone numbers within the City – and one-half were drawn randomly from lists of registered San José voters whose voter history suggests they are likely to cast ballots in November 2014 statewide general election. Using an RDD sample allows the greatest number of residents an opportunity to participate in the survey – because it provides a method of reaching both listed and unlisted numbers – while using a likely voter sample permits collecting data on support for potential ballot measures from a sample of respondents representative of the universe of likely voters.

For the purpose of this analysis, these two samples were generally combined, except for questions asking respondents to indicate their voting preference on potential future ballot measures. There are several places in the report, particularly in the discussion of potential ballot measures, where discussion focuses on a subgroup of "likely November 2014 voters." This phrase refers to a subset of 697 respondents – 246 respondents from the RDD sample who indicated that they "never miss" an election and 451 respondents from the voter sample whose voting histories suggest they would be likely to vote in a November 2014 election.

Overall, 41 percent of the interviews were conducted with those who either exclusively or primarily use cell phones, rather than landlines. The RDD sample parameters were adjusted slightly to account for the increasing number of households that are functionally "cell phone only." Specifically, the 450 RDD interviews were drawn from two different samples – one consisting primarily of landline numbers and one consisting primarily of cell phone numbers. Between those two samples, 51 percent of the RDD interviews were with residents who either exclusively or primarily use cell phones. Ultimately, both RDD samples were combined and weighted slightly to conform to demographic data on the City's adult population. Additionally, a number of interviews (32%) from the sample of likely voters were also conducted with voters who either exclusively or primarily use cell phones, due to the fact that many voters now submit their cell phone numbers when registering to vote.

The margin of error for the survey sample as a whole is plus or minus 3.3 percent. For the RDD sample (referred to as the "adult population sample") as well as the sample drawn from voter lists (referred to as the "likely voter sample") individually, the margin of error is plus or minus 4.6 percent. The margin of error for smaller subgroups within each sample will be larger. For example, statistics reporting the opinions and attitudes of residents over age 65, who make up 19 percent of the sample, have a margin of error of plus or minus 7.5 percent. Therefore, for this and other population groupings of similar or even smaller size, interpretations of the survey's findings are more suggestive than definitive and should be treated with a certain caution.

Finally, it should be noted that due to rounding, not all combined percentages will sum to their assumed total. For example, 13.4 percent and 12.4 percent are shown as 13 and 12 percent in this report, and instead of their combined total summing to 25 percent, it sums to 26 percent (25.8 percent).

Following the summary of findings, the report is divided into four parts:

- **Part 1** examines San José residents' views of life in the City based on a handful indicators, including how they view the local economy, their own personal financial situations, and public safety.
- **Part 2** examines San José residents' views of the City's budget, including how closely they follow the budget, whether they have a positive or negative view of it, whether they feel it will be better or worse a year from now, general preferences for how to prioritize City spending, and preferences for how to spend additional funding were it available in the City's next budget.
- **Part 3** focuses on the reactions of likely San José voters to two specific proposals for raising additional revenue.
- **Part 4** explores attitudes of San José voters to marijuana regulation and taxation.

The topline results of the survey are included at the end of the report in **Appendix A**.

SUMMARY OF MAJOR FINDINGS

The survey results suggest that residents in San José see the City and their own neighborhoods as reasonably safe, and the local economy as doing well and likely to keep improving. Public safety and economic development would be top priorities for them if additional funding were made available. Among likely voters, a majority would support a small increase in the sales tax to support City services generally, and a much larger majority, well above the two-thirds required for passage, would support an extension of the existing library parcel tax to maintain current services. There is also broad support among voters for regulating and increasing the taxes on medical marijuana dispensaries.

More specifically:

- Majorities of residents view the local economy (57%), their own personal financial situations (68%), public safety in the City (59%) and in their immediate neighborhoods (67%) positively.

- Majorities expect improvement in their own personal financial situations (54%) and the local economy (61%) over the next twelve months, while residents are more divided as to whether they expect improvements in public safety.

- This positivity does not extend to impressions of the City budget, which have not improved much over the last year. Half of residents (49%) hold negative impressions of the City's budget and 55 percent assume that City's next budget will start with a deficit. Residents are divided as to whether they feel the budget will be better, worse or unchanged one year from now.

- Improving public safety is a clear priority for residents when considering City spending.

    - When asked how they would divide a hypothetical $100 of City spending among five different goals, residents on average indicate they would spend the most to achieve *a safe city* ($26.20), followed by *a prosperous city* ($22.10), and *a reliable well-maintained infrastructure* ($20.10). They are willing to spend less to achieve *a green sustainable city* ($16.10) and *an attractive vibrant community* ($15.60). The importance placed on public safety has increased relative to other priorities since studies in prior years.
    - When asked to rank five specific budget enhancements, the top, by far, relates to public safety. Half (49%) say *hiring more police officers* would be their first priority, with the remaining half divided among the four other options.
    - When asked to rate the importance of a long series of possible spending goals for the City, the most important to residents relate to public safety: *reducing violent crimes* (90% "very" or "one of the most important"), *reducing property crimes, such as burglary* (85%), *improving police response time* (85%), and improving response time to fires (80%) and medical emergencies (80%).

- Majorities of likely voters would support two potential City finance measures.

  - A narrow majority of 54 percent of likely November 2014 voters would support a <u>general purpose sales tax measure</u>, including 55 percent who would vote for one-quarter percent sales tax increase and 52 percent who would vote for a one-half percent increase. Such a measure would require support from a majority of voters to pass. A majority of voters (55%) reports being more likely to support an increase if it contains a sunset clause of 9 years while extending the tax indefinitely would make 68% less likely to support it.

  - 80 percent of likely November voters and 80 percent of likely June 2014 voters say they are willing to support a <u>continuation of the City's library parcel tax</u>, well above the two-thirds support required for passage.

- Likely November 2014 voters also favor increasing the regulation and taxation of medical marijuana dispensaries.

  - 60 percent say that their first choice for how to handle dispensaries would be to *adopt regulations to allow the continued operation of medical marijuana dispensaries with clear controls on location and operations to reduce neighborhood impacts*, while the rest are evenly divided between shutting down the dispensaries (17%) and allowing the status quo without regulation (19%). Likely voters are more comfortable with allowing dispensaries in industrial areas and business centers than residential neighborhoods or retail centers.

  - 65 percent of likely November 2014 voters, when told that the current tax rate for medical marijuana dispensaries is ten percent, would support "significantly increasing" the tax rate for these institutions. Only 29 percent would oppose such an increase.

The remainder of this report presents these and other results of the survey in more detail.

PART 1: PERCEPTIONS OF LIFE IN SAN JOSÉ

To better understand the context in which residents view the City's budget, this Budget Priorities Survey briefly investigates broader questions about life in San José – how residents feel about the local economy, their own personal financial situations, and public safety – that are not directly related to the budget. **Key takeaways:** As they did in 2013, San José residents offer positive impressions of the local economy and their own financial situations, and expect continued improvement in these areas over the next year. Perceptions of public safety also continue to be positive, in line with the 2013 findings, though compared to economic conditions there is less expectation of continued improvement.

1.1 Perceptions of the Economy

The study finds that San José residents continue to feel positive about current economic conditions, including in their own personal finances, and optimistic about the future. Half of respondents were asked to consider their current impressions of the *local economy* and their own *personal financial situation.* As shown in **Figure 1**, residents view their personal situations quite positively (68% "positive" including 29% "very positive") Views of the local economy are also positive, though slightly less so (57% "positive," 32% "negative").

FIGURE 1:
Current Economic Perceptions

Economic Scale	%						
	Very Pos.	**S.W. Pos.**	**No Diff.**	**S.W. Neg.**	**Very Neg.**	**Total Pos.**	**Total Neg.**
Your personal financial situation	29	39	13	13	6	68	19
The local economy	18	39	12	22	11	57	32

The other half of respondents were asked whether they thought the local economy and their own finances would be better or worse twelve months from now, and these views are also quite optimistic. Three in five (61%) expect the local economy to be "better" in twelve months, while only 23 percent expect it to be "worse." (**Figure 2** on the following page). A majority (54%) anticipates that their own finances will be better in a year, compared to fewer than one in five (15%) who believe their situation will be "worse."

FIGURE 2:
Economic Perceptions 12 Months from Now

Economic Scale	%						
	Much Bet.	S.W. Bet.	No Diff.	S.W. Worse	Much Worse.	Total Better	Total Worse
The local economy	16	45	13	16	7	61	23
Your personal financial situation	16	38	28	9	6	54	15

Results Among Subgroups

- Regarding the current local economy, women (47% "good") have less sunny perceptions than men (67%). Women younger than 50, in particular, are less positive. However, though there is little difference by gender regarding perceptions of personal financial situations or optimism about the economy over the next year.
- Younger residents (18-49) are more enthusiastic about their personal financial situations (75% "good") compared to older residents (63%), and more optimistic about their own financial futures (63% "better" compared to 45%), but views of the local economy and its near future do not particularly vary by age.
- Satisfaction with the local economy and residents' personal financial situations rises with income, as one might expect, as does hope that these factors will get better over the next year.
- College-educated residents are more likely to say the current economy is "positive" (66%, compared to 50% among non-college graduates) and that the local economy will get better over the next twelve months (73%) than those without degrees (51%). At the same time, residents with college degrees and those without are equally positive about their own current personal financial situations and not very different in their hopes for their own situations improving in the future.
- Latino residents of San José are less positive about the current economy (47% "positive") than white (61%) or Asian/Pacific Islander residents (61%), and somewhat less optimistic about its future performance. However, Latinos, are more optimistic about their personal future financial situations (62% "better"), along with Asians (59%), than are white residents (49%).
- There is little difference in views of economic conditions by political party.

Comparisons to Prior Years

Although there was a substantial improvement in economic confidence between 2009 and 2013, perceptions of the current local economy and expectations for the near-term future have changed little over the last year. As shown in **Figures 3 and 4**, 57 percent in 2013 saw the local economy positively and 60 percent expected the economy to get better, while 30 percent saw the then-current conditions as negative and 19 percent expected them to get worse.

FIGURE 3:
Historical Perceptions of the "Current" Local Economy

Current Perception	%			
	2009	2013	2014	Δ
Total positive	26	57	57	+31
Neutral	13	13	12	-1
Total negative	61	30	32	-29

FIGURE 4:
Historical Expectations for the Local Economy

Local Economy In 12 Months	%			
	2009	2013	2014	Δ
Total better	31	60	61	+30
Neutral	15	19	15	NA
Total worse	54	19	23	-31

On the other hand, residents' expectations and current perceptions of their own financial situations continued to improve between 2013 and 2014. The percentage expecting their financial situation to be better in twelve months increased ten points from 44 to 54 percent, while the percentage seeing their current financial situations as positive went from 63 to 68 percent (**Figures 5 and 6**).

FIGURE 5:
Historical Perceptions of Residents' "Current" Personal Financial Situation

Current Perception	%			
	2009	2013	2014	Δ
Total positive	50	63	68	+18
Neutral	18	21	13	-5
Total negative	32	16	19	-13

FIGURE 6:
Historical Expectations for Residents' Personal Financial Situation

Personal Financial Situation In 12 Months	%			
	2009	2013	2014	Δ
Total better	39	44	54	+15
Neutral	38	38	31	-7
Total worse	23	18	15	-8

1.2 Perceptions of Public Safety

Half of respondents were asked to consider their current impressions of the public safety citywide and in their own neighborhoods, and shown in **Figure 7**, 59 percent view *public safety in the City of San José* positively, and residents view public safety in their *immediate neighborhoods* even more positively (68% "positive").

FIGURE 7:
Current Public Safety Perceptions

Public Safety Scale	%						
	Very Pos.	S.W. Pos.	No Diff.	S.W. Neg.	Very Neg.	Total Pos.	Total Neg.
Public safety in your immediate neighborhood	34	32	5	18	11	67	28
Public safety in the City of San José	20	39	8	19	14	59	33

The other half of respondents who were asked whether they thought public safety would be better or worse twelve months from now are more likely to see public safety improving than getting worse in their own neighborhoods (44% "better, 28% "worse"), with another quarter (26%) who expects no difference (**Figure 8**). Residents are more divided, however, on whether public safety in the City of San José overall will be better (42%) or worse (39%) in a year.

FIGURE 8:
Public Safety Perceptions 12 Months From Now

Public Safety Scale	%						
	Much Bet.	S.W. Bet.	No Diff.	S.W. Worse	Much Worse.	Total Better	Total Worse
Public safety in your immediate neighborhood	13	31	26	17	11	44	28
Public safety in the City of San José	11	31	16	25	14	42	39

Results Among Subgroups

- Women are slightly less comfortable than men with the current level of safety in the City overall (55% "positive" compared to 63%), but otherwise men and women residents hold very similar views.
- Residents do not show substantial differences by age in perceptions of public safety.
- A majority of residents with household incomes over $100,000 a year (53%) expects public safety in the City to get "worse" over the next twelve months, and this group is more pessimistic as well about coming changes in their own neighborhoods. However, the study shows little difference by income in current impressions of public safety.
- Those with less than a college education are more optimistic that public safety will improve in the next twelve months both in the City overall (50% "better," compared to 35% of those with college degrees) and in their own neighborhoods.

Again, however, this distinction does not appear when looking at current views of safety.

- While white residents are a little less happy with public safety in the City overall (57% "positive"), they are more content with conditions in their own neighborhoods (73% "positive"). Latino and API residents, on the other hand, see safety in their neighborhoods and the City overall as being about equal. Latinos are also a little more likely to expect improvement over the next twelve months, especially when compared to whites.
- Although residents share similar views of current conditions across party lines, Republicans are more likely than Democrats to express negative expectations for public safety over the next twelve months: 47 percent of Democrats expect improvement and 39 percent expect conditions to worsen, while for Republicans the pattern is reversed, with 32 percent saying "better" and 48 percent "worse."

Comparisons to Prior Years

As shown in **Figures 9 and 10**, there is little change since 2013 in perceptions of current public safety in the City overall, with 59 percent each year expressing positive views. Compared to a year ago, slightly more have good expectations for the next twelve months (42% "better," up seven points from 35%) and slightly more have negative expectations (39% "worse," up nine points from 30%), while fewer expect safety to stay the same.

FIGURE 9:
Historical Perceptions of "Current" Public Safety in San José

Current Perception	%		
	2013	2014	Δ
Total positive	59	59	NA
Neutral	12	8	-3
Total negative	29	33	+4

FIGURE 10:
Historical Expectations of Public Safety in San José

Current Perception	%		
	2013	2014	Δ
Total better	35	42	+7
No difference	35	18	-17
Total worse	30	39	+9

In respondents' own neighborhoods, perceptions of public safety, although still quite positive, are slightly more negative than they were a year ago, with an increase in eight points, from 20 to 28 percent, in those whose impression of safety in their neighborhood is negative. However, as **Figure 11** on the following page shows, that increase comes entirely from the neutral category, while the percent saying their perception is positive has stayed steady (67% this year, 68% in 2013). Looking at expectations over the next year (**Figure 12**), as with the City as a whole, there have been increases both in those who expect improvement and those who expect conditions to worsen, while fewer expect no change.

FIGURE 11:
Historical Perceptions of "Current" Public Safety in Respondent Neighborhoods

Current Perception	%		
	2013	2014	Δ
Total positive	68	67	-1
Neutral	13	5	-8
Total negative	20	28	+8

FIGURE 12:
Historical Expectations of Public Safety in Respondent Neighborhoods

Current Perception	%		
	2013	2014	Δ
Total better	36	44	+8
No difference	44	28	-16
Total worse	20	28	+8

PART 2: PERCEPTIONS OF THE SAN JOSÉ CITY BUDGET

Key takeaways: As in previous years, the study finds widespread negative perceptions about the City's current and next year's budget, including majority belief that next year's budget will start with a deficit. Despite positive feelings about the City's safety as described in the section above, public safety continues to top San José residents' priorities for City spending.

2.1 How Closely Residents Follow the City Budget

Half of residents (50%) say they follow news about City government and the City budget "very" or "somewhat" closely (slightly less than the 55 percent reported in the 2013 survey). However, as shown in **Figure 13**, only 13 percent say they follow such news "very" closely, while 37 percent follow "somewhat" closely, and half follow "not too closely" (30%) or not at all (19%).

FIGURE 13:
How Closely Residents Follow the City Government News and the City Budget

How Closely Followed	%
Very closely	13
Somewhat closely	37
TOTAL FOLLOW CLOSELY	**50**
Not too closely	30
Not at all	19
Don't know	1
TOTAL DON'T FOLLOW	**50**

2.2 Perceptions of the City Budget

Perceptions of the City budget are far more negative than positive, as shown in **Figures 14A and 14B** on the next page. Half of respondents were asked to consider their current impressions of the City budget, and only 26 percent say their impressions are positive, while nearly twice as many (49%) offer negative views. Just six percent have very positive views, compared to 31 percent whose views are very negative. The other half of respondents were asked about whether they thought the budget would be better or worse twelve months from now, and here expectations are more divided, with 36 percent who expect improvement and 39 percent who expect the budget to get worse.

FIGURES 94A & B:
General Perceptions of the City Budget

Current Perception	%
Very positive	6
Somewhat positive	19
TOTAL POSITIVE	**26**
NO DIFFERENCE	**11**
Very negative	18
Somewhat negative	31
TOTAL NEGATIVE	**49**

Perception 12 Months From Now	%
Much better	9
Somewhat better	26
TOTAL BETTER	**36**
NO DIFFERENCE	**13**
Much worse	14
Somewhat worse	25
TOTAL WORSE	**39**

Results Among Subgroups

There are few large differences among residents in views of the budget and nearly every subgroup has more negative than positive views. However, there are a few differences of note.

- Residents in their forties and fifties are more likely to view the current budget negatively than either those younger or older than themselves.
- Lower-income residents are a little more likely to view the current budget positively, and to have positive expectations for change over the next twelve months (46% "better", 30% "worse").
- Those with less education are a little more likely to see the current budget positively.
- Latinos (38%) are a little likely more likely to have "positive" views of the current budget, especially compared to white residents (23% "positive").

Comparisons to Prior Years

Over the last year there has been little change in opinions of the City budget, although views continue to be better than they were in 2009. Since 2013, there has been a slightly improvement in positive views of the current budget, which grew seven percentage points from 19 percent as shown in **Figure 15**. However, negative views remained constant at 49 percent (compared to 50 percent last year). Furthermore, expectations for the next twelve months are in roughly the same place they were a year ago (**Figure 16**).

FIGURE 105:
Historical Perceptions of the "Current" City Budget

Current Perception	%				
	2009	**2010**	**2013**	**2014**	**Δ**
Total positive	12	25	19	26	+14
Neutral	33	28	31	25	-8
Total negative	55	47	50	49	-5

FIGURE 116:
Historical Expectations for the City Budget

City Budget In 12 Months	%				
	2009	**2010**	**2013**	**2014**	**Δ**
Total better	19	42	34	36	+17
Neutral	26	12	31	24	-2
Total worse	55	46	36	39	-16

Looking to next year's budget, five times as many residents of San José expect the City to start with a deficit (55%) as expect a surplus (11%). Only one in five (20%) believe the City will start with a balanced budget next year, and more than one in ten (14%) don't know (**Figure 17**).

FIGURE 127:
Perceived Starting Position of Next Year's Budget

Perceived Starting Position	%
Large surplus	3
Small surplus	8
TOTAL SURPLUS	**11**
Balanced budget	**20**
Large deficit	22
Small deficit	34
TOTAL DEFICIT	**55**
DON'T KNOW	**14**

Results Among Subgroups

- Across the board, a majority or plurality in each subgroup says the City will start next year's budget with a deficit. The small group who reports paying "very close" attention to news about the budget are more likely than others to expect a surplus, but even among this group it is only 30 percent.
- The other main difference among subgroups is that some, including low-income voters and those under 30, are more likely to report that they do not know where next year's budget will start.

Comparisons to Prior Years

This year's perceptions of where the budget starts represent a slight improvement over 2013, when only six percent expected a surplus and 58 percent expected a deficit, as shown in **Figure 18**.

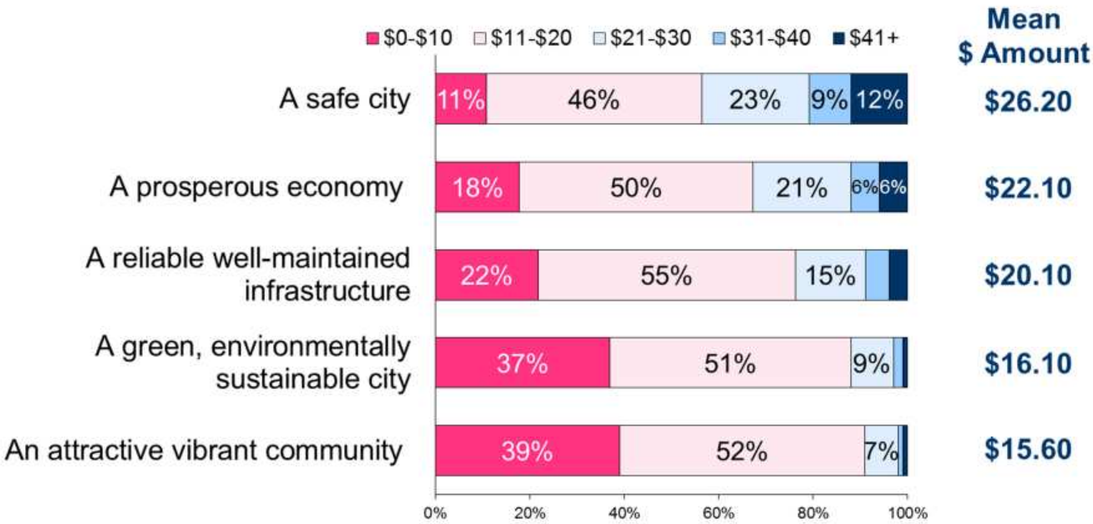
FIGURE 138:
Historical Expectations for "Next Year's" Budget

Perceived starting position	**%**		
	2013	**2014**	**Δ**
Total surplus	6	11	+5
Balanced budget	18	20	+2
Total deficit	58	55	-3

2.3 Prioritization of General City Budget Goals

When asked about how to spend the City's budget, San José residents prioritize safety first, over prosperity, infrastructure, sustainability and vibrancy. Respondents were read five major objectives of the City and asked to indicate how they would divide a hypothetical $100 budget between each of the five goals. As shown in **Figure 19** on the following page, all of these goals have some importance to residents, but residents would spend most on average to achieve *a safe city* ($26.20), followed by *a prosperous economy* ($22.10) and *reliable well-maintained infrastructure* ($20.10). Residents would spend somewhat less to achieve *a green sustainable city* ($16.10) and *an attractive vibrant community* ($15.90).

FIGURE 149:
Hypothetical Allocations of a $100 Budget between Different City Objectives
(Ranked by Mean Dollar Amount)



As previous reports have noted, these results are most helpful for determining the relative importance of these priorities to City residents and not their absolute budget allocations. Respondents were not provided with context regarding how much achieving these goals might cost or how much the City currently spends in each area, and it is possible that if told how much of the budget is currently allocated to each goal, such as the fact that public safety currently makes up over half of the City budget, the results may have been somewhat different.

Results Among Subgroups

- At this broad level, priorities are remarkable similar across demographic differences for priorities at this broad level. Among all subgroups, residents would allocate more money, on average, to *a safe city* than to any of the other goals presented, and for most subgroups, the order of the rest of the goals is the same as well.
- However, age plays something of a factor in how much residents would allocate to second-tier priorities. Those over 50 would invest an equal amount in infrastructure ($21.00) as they would in a prosperous economy ($20.90), and more in an attractive vibrant community ($16.20) than in sustainability ($15.10), while those under 50 would invest more in the economy ($22.50) than in infrastructure ($19.10) and more in sustainability than a vibrant community.

Comparisons to Prior Years

Since the survey first asked this question in 2011, the importance residents place on public safety spending has gradually grown relative to the economy and other considerations. As **Figure 20**, since 2013, the mean amount residents would spend on public safety grew by $1.20, while the amount they would spend on the economy dropped by $1.00. Goals for spending on other considerations stayed relatively steady.

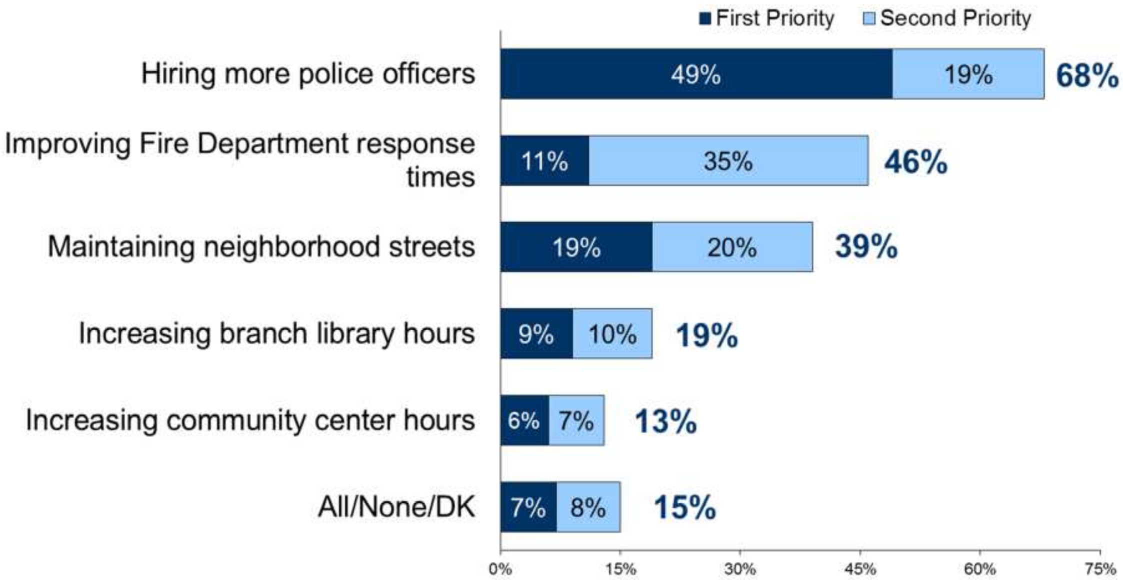
FIGURE 20:
Historical Allocations of a $100 Budget between Different City Objectives
(Ranked by 2013 Mean Dollar Amount)

Priority Goal	Mean Dollar Amount				
	2011	2012	2013	2014	Δ
A safe city	$23.80	$25.40	$25.00	$26.20	+$2.40
A prosperous economy	$23.60	$22.50	$23.10	$22.10	-$1.50
A reliable well-maintained infrastructure	$20.20	$20.10	$20.00	$20.10	-$0.10
A green sustainable city	$16.60	$16.10	$16.00	$16.10	-$0.50
An attractive vibrant community	$15.80	$15.90	$15.90	$15.60	-$0.20

2.4 Prioritization of Specific City Budget Enhancements

Asked how they would rank specific areas where the City could allocate more resources, the top priority among residents by a large margin is *hiring more police officers*, which 49 percent say would be their first priority if any additional funding were available in the next budget and another 19 percent say would be a second priority. The next tier of priorities, much lower in importance to residence includes *improving fire department response times* (11% first priority, 35% second) and *maintaining neighborhood streets* (19% first, 20% second). Budget enhancements of even lower priority to residents are *increasing branch library hours* (9% first, 10% second) and *increasing community center hours* (6% first, 7% second). See **Figure 21** on the next page for details.

FIGURE 21:
Prioritization of Potential Budget Enhancements
(Ranked by Total Times Selected)



Results Among Subgroups

- All major subgroups in the study are more likely to select *hiring more police officers* as a first priority than any other topic.

Looking at a more comprehensive list of specific spending categories, as shown in **Figure 22** on page 20, San José residents' top priorities for spending match their broader objectives for a safe and economically healthy City. Each specific spending measure was presented to half of the sample, meaning each respondent was asked about half of the following items.

- Several aspects of <u>police and emergency services</u> make up residents' top priorities for City spending, particularly reducing crime and improving response times for police, fire, and medical teams. Residents are most likely to place a high priority on *reducing violent crimes* (90% "one of the most important" or "very important" priority), *improving police response time* (85%), and *reducing property crimes, such as burglary* (85%). *Improving response times to fires* (80%) and *improving response times to medical emergencies* (80%) follow next. Other parts of public safety and emergency services are slightly lower than these, but still very high priorities, including *increasing gang prevention services* (77%), *increasing residents' feeling of safety in their neighborhoods* (75%), and *increasing the number of sworn police officers* (73%). Generally *improving the City's emergency preparedness* is a little lower (65%).
- <u>Economic development</u> and <u>maintaining road infrastructure</u> make up a second tier of priorities for City residents. *Creating more jobs through economic development*" ranks very highly (77% "one of the top" or "very"), while street repair is a little lower: *maintaining and repairing major streets* (73%),

maintaining and repairing neighborhood streets (67%), and *fixing potholes* (67%). *Improving the overall quality of life in San José* belongs in this category as well (66%).

- Housing and homelessness are important to residents, rating just under economic and infrastructure categories: *reducing housing costs* (67% "one of the top" or "very") and *reducing homelessness* (66%).
- A little lower in importance, improving energy and sustainability and the cleanliness of the City are nonetheless priorities for substantial numbers of those who live in San José. Majorities say *increasing San José's use of renewable energy* (58%), *reducing energy use* (54%) and *increasing recycling and reducing waste* (54%) are "one of the top" or "very important" priorities. *Improving cleanliness citywide* also finds a majority (53%) who say it is a top or very important priority, while just under half say *reducing litter* (49%) and *reducing graffiti* (46%) are highly important to them.
- Public services in general and specific cultural or recreational services are a little less important to residents, with between three and five in ten calling them "one of the top" or "very important" priorities. These include *maintaining and improving public parks* (45% "one of the top" or "very important"), *paying competitive salaries to attract and keep high-quality city employees* (42%), *providing more opportunities for residents to get involved in local government* (42%), *increasing branch library hours* (40%), *increasing tax revenue to support public services* (38%), *opening new community centers (33%), increasing the number of building permits issued* (33%), *providing more recreational opportunities for residents* (31%), and *providing more cultural activities for residents* (31%).
- The lowest priorities for residents relate to the airport and shopping: *increasing the number of flights at the Mineta San José International Airport* (30%), *reducing noise pollution from the airport* (25%), *increasing shopping opportunities in San José neighborhoods* (25%), and *increasing shopping opportunities downtown* (24%).

FIGURE 22:
Specific Priorities for City Spending

Specific Priority	**%**		
	One of Most Impt.	**Very Impt.**	**Total Very/One of Most Impt.**
Reducing violent crimes	43	47	*90*
Improving police response time	41	44	*85*
Reducing property crimes, such as burglary	38	48	*85*
Improving response times to fires	34	46	*80*
Improving response times to medical emergencies	37	42	*80*
Creating more jobs through economic development	38	39	*77*
Increasing gang prevention services	31	46	*77*
Increasing residents' feeling of safety in their neighborhoods	31	44	*75*
Increasing the number of sworn police officers	28	45	*73*
Maintaining and repairing major streets	26	47	*73*
Reducing housing costs	28	39	*67*
Maintaining and repairing neighborhood streets	22	44	*67*
Fixing potholes	22	45	*67*
Improving overall quality of life in San José	24	42	*66*
Reducing homelessness	22	44	*66*
Improving the City's emergency preparedness	24	42	*65*
Increasing San José's use of renewable energy	17	41	*58*
Reducing energy use	16	38	*54*
Increasing recycling and reducing waste	15	39	*54*
Improving cleanliness citywide	17	36	*53*
Reducing litter	13	36	*49*
Improving City customer service	12	33	*46*
Reducing graffiti	13	32	*46*
Maintaining and improving public parks	11	34	*45*
Paying competitive salaries to attract and keep high-quality City employees	13	29	*42*
Providing more opportunities for residents to get involved in local government	13	29	*42*
Increasing branch library hours	12	27	*40*
Increasing tax revenue to support public services	10	28	*38*
Opening new community centers	10	23	*33*
Increasing the number of building permits issued	9	24	*33*
Providing more recreational opportunities for residents	11	20	*31*
Providing more cultural activities for residents	8	22	*31*
Increasing the number of flights at the Mineta San José International Airport	9	21	*30*
Reducing noise pollution from the airport	8	18	*25*
Increasing shopping opportunities in San José neighborhoods	7	18	*25*
Increasing shopping opportunities downtown	8	16	*24*

PART 3: SUPPORT FOR SPECIFIC REVENUE-GENERATING PROPOSALS

Residents were asked about their support for two possible revenue-increasing ballot measures: a sales tax increase and a continuation of the library parcel tax. The survey results for the questions related to the potential ballot measures are based only upon the responses from 651 survey respondents deemed to be "likely voters" in the November 2014 election. **Key takeaways**: Narrow majorities of likely voters say they would support a sales tax increase at either a quarter-percent or a half-percent, and although the ballot question in this survey did not have a sunset provision in it, more than half say they would be more likely to support a proposal that had a nine-year sunset clause. A library parcel tax continuation receives stronger support, well over the two-thirds threshold for passage.

3.1 Support for a General Purpose Sales Tax Increase

When asked about a potential sales tax increase to fund City services, narrow majorities of likely November 2014 voters would vote yes regardless of whether the increase is one-half or one-quarter percent. The draft ballot language tested for the measure is shown below:

> ***The City of San José City Services Funding Measure:*** *In order to provide funding for City services such as police, fire, emergency response, street maintenance, pothole repair, parks, libraries, and youth and senior programs, shall an ordinance be adopted to enact a (**SPLIT SAMPLE A**: one-half percent) (**SPLIT SAMPLE B**: one-quarter percent), retail sales and use tax in San José, for a period of 15 years, subject to existing independent financial audits, with all revenue controlled by the City?*

As shown in **Figure 23** on the next page, 54 percent of all likely November voters indicate they would vote "yes" on this measure, slightly over the majority vote threshold of such a measure. Four in ten (39%) say they would vote no, and definite "yes" votes outnumber definite "no" votes: 31 percent to 25 percent.

Using a split-sampling technique, a subtle variation of the sales tax ballot language was tested. Half of respondents heard the ballot language with the tax level characterized as a "one-half percent" sales tax, and the other half heard it described as a "one-quarter percent" sales tax. While more would support a one-quarter percent increase, the difference between the two levels is within the margin of error. Just over 50 percent of likely November voters would vote yes on a one-half percent increase (52%) and a one-quarter percent increase (55%).

FIGURE 23:
Support for a Ballot Measure Enacting a Sales Tax
(Results Among Likely November 2014 Voters)

Vote	%		
	One-half Percent	**One-quarter Percent**	**Total Combined**
Definitely yes	30	32	31
Probably yes	14	17	16
Lean yes	8	6	7
TOTAL YES	**52**	**55**	**54**
Definitely no	23	28	25
Probably no	13	7	10
Lean no	5	4	4
TOTAL NO	**40**	**38**	**39**
UNDECIDED	**7**	**7**	**7**

Results Among Subgroups

Unless specifically noted, the following observations by voter subgroup combine the one-quarter and one-half percent sales tax results to increase the overall sample size.

- Renters are more supportive than homeowners of a general purpose sales tax increase.
- Younger voters are more supportive, with 61 percent voting yes among 18-49 year olds. Among those 50 and over, the split is closer (49% "yes," 42% "no").
- Support for a sales tax income is lower in those with higher household income.
- A majority of those with less than a four-year degree (59%) would support an increase, along with 55 percent of those with post-graduate education, while those with a four-year degree and now more are split (47% "yes," 46% "no").
- Six in ten Latino voters (63%) would support an increase, compared to somewhat narrower majorities of API and white voters.
- While majorities of self-identified Democrats and independents support an increase, only 39 percent of Republican voters would do so and a majority of Republicans (55%) would vote "no." The lack of support is particularly pronounced among Republican men (35% "yes").
- Voters without four-year degrees and lower-income voters were more supportive of a one-quarter percent measure than a one-half percent measure, suggesting perhaps that these groups would be more sensitive to the amount of a potential increase.

Given the narrowness of the margin of support it is worth paying special attention to the more noncommittal likely voters. These voters – "leaners" – were initially undecided when first asked, but when asked a second time indicate they "lean" toward voting "yes" or "no." Removing "leaners" from the equation pushes support for the measure below the 50 percent support threshold to 47 percent overall (44% for one-half percent and 49% for one-quarter percent). It leaves nearly one in five likely voters (18%) undecided (**Figure 24**).

Figure 24
Support for a Ballot Measure Enacting a Sales Tax without "Leaners"
(Results Among Likely November 2014 Voters)

Vote	%		
	One-half Percent	**One-quarter Percent**	**Total Combined**
Definitely yes	30	32	31
Probably yes	14	17	16
TOTAL YES (without leans)	**44**	**49**	**47**
Definitely no	23	28	25
Probably no	13	7	10
TOTAL NO (without leans)	**36**	**35**	**35**
UNDECIDED (with leans)	**20**	**17**	**18**

Support for a Sales Tax Measure Over Time

A similar sales tax measure was tested for the City in the 2009 to 2013 budget surveys. Up until the July 2011 survey, the amount was characterized as a "one-quarter *cent*" sales tax increase, and subsequent surveys – including this one – describe the tax as "one-quarter *percent*." There have also been other changes in the ballot language tested over time, including whether the measure includes a sunset provision or not.

As shown in **Figure 25**, on the next page, majorities of likely voters have consistently supported a one-quarter cent/percent sales tax, though support has ranged from 54 to 70 percent. Support in this year's study, at 55 percent, is on the lower end, but within the range previously observed.

FIGURE 25:
Change in Support for a Ballot Measure Enacting a
<u>One-Quarter Cent/Percent</u> Sales Tax from 2009 to 2014
(Results Among Likely Voters)

Vote	%								
	2009^	**2010^**	**Jan. 2011^**	**July 2011***	**Jan. 2012***	**May 2012***	**July 2012***	**Jan. 2013***	**Feb 2014***
Definitely yes	36	33	36	31	38	29	28	44	32
Probably yes	20	13	17	18	19	22	22	20	17
Lean yes	6	8	7	8	8	11	11	6	6
TOTAL YES	**62**	**54**	**60**	**57**	**65**	**63**	**61**	**70**	**55**
Definitely no	26	32	24	25	24	19	20	20	28
Probably no	7	8	7	8	3	10	8	5	7
Lean no	3	3	4	4	4	5	5	3	4
TOTAL NO	**36**	**43**	**35**	**37**	**31**	**34**	**33**	**28**	**38**
UNDECIDED	**2**	**3**	**5**	**6**	**4**	**3**	**5**	**2**	**7**

^One-Quarter Cent Sales Tax Increase
**One-Quarter Percent Sales Tax Increase*

Likely voters have consistently supported a half-cent/percent sales tax measure as well. [2] As shown in **Figure 26**, support is lower this year than in 2012, though consistent with the support in the low to mid-fifties found at other times.

FIGURE 156:
Change in Support for a Ballot Measure Enacting a
<u>One-Half Cent/Percent</u> Sales Tax from 2010 to 2014
(Results Among Likely Voters)

Vote	%						
	2010^	**July 2011***	**Jan. 2012***	**May 2012***	**July 2012***	**Jan. 2013***	**Feb. 2014***
Definitely yes	26	25	35	24	28	34	30
Probably yes	16	17	22	24	24	18	14
Lean yes	6	9	8	9	10	5	8
TOTAL YES	**47**	**51**	**65**	**58**	**62**	**57**	**52**
Definitely no	33	28	18	22	22	24	25
Probably no	10	9	8	10	7	12	10
Lean no	4	5	3	7	5	4	4
TOTAL NO	**48**	**31**	**29**	**39**	**34**	**40**	**39**
UNDECIDED	**5**	**8**	**5**	**3**	**4**	**3**	**7**

While in some surveys the differences between the two levels – one-quarter and one-half – were relatively minor, as in the most recent survey, in other surveys the difference was

[2] A half-cent/percent variation of the sales tax was not tested on every survey which tested a quarter-cent/percent sales tax.

more pronounced in favor of the one-quarter percent measure. This suggests that while the difference in tax level may play a role in support for a general purpose sales tax measure, it is likely not determinative and other factors – turnout and electoral composition, the state of the economy, etc. – may play equally important roles.

As previous reports have noted, there are several factors at work that could explain the year-to-year variations:

- **Turnout Models** - The voter samples in each case looked at different electoral circumstances and turnout models. For example, the 2014 and 2013 surveys looked at lower turnouts associated with off-year elections – specifically the November 2014 election. However, the 2012 likely voter sample used a higher turnout election model – in this case, the November 2012 presidential ballot. As a rule of thumb, higher turnout elections tend to draw slightly more younger voters, lower-income voters, less educated voters, voters of color and Democratic voters who are often more supportive of finance measures, all things being equal. Additionally, some of these voters may also be more sensitive to a difference in tax amount.

- **Inherent Survey Variability** - The oscillations on display in the tables above fall within or not far outside the margin of error, especially given that most of them are measuring only a half-sample. In other words, the data suggest that the electorate has been consistent on this issue: on average three-in-five voters support a one-quarter percent sales tax increase every year, and a slightly smaller percent consistently support a one-half percent sales tax. Even while the ballot language tested changes, and each of the surveys tested a different sample, the overall results are similar.

- **Varied Ballot Language** - The ballot language tested was not exactly same in each survey. Because of different priorities and approaches, the exact ballot question used in each survey was slightly different – and though some of the differences may seem minor – they could have influenced voters' impressions. For example, the 2009 measure started with, "In order to protect and maintain essential City services...," the 2010 measure started with, "In order to provide funding to protect and maintain essential City services…," the January 2011 measure started with, "To provide temporary emergency funding to preserve essential City services…," and the most recent measure (2013) started with "To provide funding to preserve essential City services…"

  And some of the measures tested included sunset provisions (such as the May 2012 survey) while others – including this recent survey – did not. As noted earlier, the July 2011 and the most recent survey measured support for a "one-quarter *percent*" sales tax increase rather than a "one-quarter *cent*" increase.

Limiting the implementation of the tax to a certain number of years may improve support slightly, and emphasizing a lack of sunset clause would clearly be harmful. Respondents were asked whether three provisions related to how long the tax is in place would make an impact on their vote. As shown in **Figure 27** on the next page, two-thirds of likely voters (68%) say that *continuing the sales tax on an ongoing basis, with no end date,* would make them "less likely" to support the tax. On the other hand, *limiting the sales tax to no more than nine years* prompts a majority (55%) to say they would be more likely to support the measure while only 27 percent would be "less likely." Among those who initially voted "no," 28 percent report being more likely to support a version with a nine-year sunset clause, suggesting that potentially a small portion of the opposition may be open to reconsidering.

A somewhat longer timeframe is less helpful. 40 percent say they would be more likely to support a measure that includes a provision limiting the sales tax to no more than fifteen years, while 43 percent say they would be less likely to support it.

FIGURE 27:
Impact of Timeframes for Tax Expiration on Support for Sales Tax Increase

Likelihood of support	%						
	Much More	S.W. More	No Diff.	S.W. Less	Much Less	Total More	Total Less
Continuing the sales tax on an ongoing basis, with no end date	10	9	10	15	53	19	68
Limiting the sales tax to no more than fifteen years	20	20	14	14	29	40	43
Limiting the sales tax to no more than nine years	31	24	15	8	18	55	27

3.2 Support for Continuing the Library Parcel Tax

When presented with draft ballot language for a second potential ballot measure, a large majority of likely voters, whether for the November or June election, would support a continuation of the library parcel tax. The draft ballot language tested is shown below:

> ***San José Libraries Local Funding Continuation Measure:*** *To continue existing, voter-approved funding for all San José's libraries and services, including: open hours and librarians; up-to-date books and research materials; access to computers and technology; children's reading programs and storytimes; and adult literacy, job readiness, and teen/senior programs, shall the City of San José continue its library parcel tax, subject to independent annual audits and citizens' oversight, with no change in the existing voter-approved tax rate formula?*

As shown in **Figure 28** on the next page, four in five likely November 2014 voters (80%) say they would vote "yes" on such a measure, well above the two-thirds threshold required for passage of a parcel tax measure such as this one. Only 16 percent say they would vote "no," while a narrow majority (53%) would "definitely" vote yes. Among 480 respondents identified as likely voters in the June 2014 election, the results are nearly identical, with 80 percent who report they will vote "yes" and 16 percent who say they will vote "no."

FIGURE 28:
Support for a Ballot Measure Continuing the Existing City Library Parcel Tax

Vote	%	
	Likely June voters	**Likely November voters**
Definitely yes	55	53
Probably yes	22	24
Undecided, lean yes	3	3
TOTAL YES	**80**	**80**
Definitely no	11	11
Probably no	3	3
Undecided, lean no	2	2
TOTAL NO	**16**	**16**
UNDECIDED	**4**	**4**

Results Among Subgroups

Majorities of likely November voters across the board support extending the library parcel tax, though some groups show even broader commitment than others.

- Women are more likely than men to say they will vote yes.
- While 88 percent of voters age 18-49 say they will vote for the measure, support drops to 75 percent among those 50 and older.
- Unlike the sales tax increase, education and income make little difference in support.
- Latino (88% "yes") and API voters (85%) show slightly broader levels of support than white voters (78%).
- Republicans, especially Republican men, are less likely to say they will vote yes, but even among this group, 65 percent support the extension of the parcel tax.

Support for Library Parcel Tax Over Time

This year's study finds even stronger support for continuing the library parcel tax than the 2013 study, which asked about a similar measure using somewhat different draft ballot language. As **Figure 29** on the next page shows, support for the measure last year stood at 72 percent of likely November 2014 voters, with 24 percent who said they would vote "no." The 2013 results are among a half-sample of the study who were asked about a version of the ballot language that did not include specific dollar amounts or language about increasing with inflation.

FIGURE 29:
Support for Extending the Library Parcel Tax Over Time
(Results Among Likely November 2014 Voters)

Vote	%	
	2013	2014
Definitely yes	47	53
Probably yes	21	24
Undecided, lean yes	4	3
TOTAL YES	**72**	**80**
Definitely no	17	11
Probably no	6	3
Undecided, lean no	1	2
TOTAL NO	**24**	**16**
UNDECIDED	**4**	**4**

PART 4: ATTITUDES TOWARD MEDICAL MARIJUANA REGULATION

Residents were also asked about their attitudes toward regulating and increasing taxes on medical marijuana dispensaries, and just as in the prior section, survey results for these questions are based only upon the responses from 651 survey respondents deemed to be "likely voters" in the November 2014 election. **Key takeaways:** A majority would support implementing regulations about where and how marijuana dispensaries can operate, and while majorities are open to locating dispensaries in commercial or industrial districts, they are less supportive of allowing them in residential or retail corridors. A "significant" increase in taxes for these dispensaries also finds broad support.

4.1 Attitudes toward Medical Marijuana Regulation

San José voters support more restriction on medical marijuana dispensaries but do not want to eliminate them all together. Given a choice between three options, as **Figure 30** illustrates, the first choice of a majority of likely November 2014 voters is to *adopt regulations to allow the continued operation of medical marijuana dispensaries with clear controls on location and operations to reduce neighborhood impacts* (60%). One in five (19%) would prefer to *allow medical marijuana dispensaries to continue to operate, without any regulations on where and how they can operate, but shut down any that cause neighborhood problems or are too close to schools, homes, or other sensitive areas*, and a roughly equal number take the opposite view that the City should *shut down all medical marijuana dispensaries in San José* (17%). When asked about their second-choice preference, a plurality (46%) would choose allowing dispensaries to operate without regulation, followed by adopting regulations that continue to allow operation (25%), and shutting down dispensaries last (13%). Adding the first and second choices together, as in **Figure 30**, it is clear that shutting down dispensaries is the least preferred option of San José voters.

FIGURE 30:
Preferred City Response to Medical Marijuana Dispensaries
(Results Among Likely November 2014 Voters)

Vote	%		
	First choice	**Second choice**	**First+ Second**
Adopt regulations to allow the continued operation of medical marijuana dispensaries with clear controls on location and operations to reduce neighborhood impacts	60	25	85
Allow medical marijuana dispensaries to continue to operate, without any regulations on where and how they can operate, but shut down any that cause neighborhood problems or are too close to schools, homes, or other sensitive areas	19	46	65
Shut down all medical marijuana dispensaries in San José	17	13	30
OTHER/ALL/NONE/DK/REF	6	16	22

Results Among Subgroups

Regulation is the top choice, far outstripping the other choices, across every major subgroup, and there is little difference across demographic categories such as gender, age, income, or education. However, there are a few differences of degree.

- Among the likely voters paying the closest attention to City and budget news, a smaller percentage (48%) choose the regulation option, with the rest evenly divided between shutting down (23%) and maintaining the status quo (23%).
- Latinos are more likely than white or API voters to choose the regulate option as a first choice.
- Republicans are more likely than others to say they would prefer to shut down the dispensaries, though even among this group it is only 25 percent who would make that their first choice.

When asked about types of places where medical marijuana dispensaries could be located, likely November voters prefer that these facilities operate in industrial and business areas over residential or retail zones. As illustrated in **Figure 31**, majorities of likely voters say it would be "acceptable" to allow medical marijuana dispensaries to continue to operate in industrial areas, such as where machine shops, warehouses, and wrecking yard are located (58%) and business centers, such as where corporate and professional offices are located (54%). Only 44 percent say it would be "acceptable" for them to operate in retail and shopping centers while 53 percent say it would be "unacceptable." Four out of five (79%) say it would be "unacceptable" to locate medical marijuana dispensaries in residential neighborhoods while only 19 percent say it would be "acceptable." Nearly two-thirds (64%) say that it would be "very unacceptable" to locate dispensaries in residential neighborhoods.

FIGURE 31:
Locations for Marijuana Dispensaries
(Results Among Likely November 2014 Voters)

Acceptability	%					
	Very Acc.	S.W. Acc.	S.W. Unacc.	Very Unacc.	Total Acc.	Total Unacc.
Industrial areas, such as where machine shops, warehouses and wrecking yards are located	29	29	13	25	58	38
Business centers, such as where corporate and professional offices are located	27	28	14	28	54	43
Retail and shopping centers	19	25	15	38	44	53
Residential neighborhoods	9	11	15	64	19	79

4.2 Support for Medical Marijuana Tax Increase

A healthy majority of likely November voters also supports raising taxes on medical marijuana, at least in principle. The study did not test draft ballot language of this proposal, but only the general concept of a substantial increase. After being told *the current tax rate that medical marijuana dispensaries pay in San José is ten percent of their business revenues*, 65 percent of likely voters say they would "support" *significantly increasing the tax rate for medical marijuana dispensaries*. Nearly half (48%) "strongly support" such a proposal. Only the other side, three in ten (29%) "oppose" a proposed increase, including 18 percent who "strongly oppose" (See **Figure 32**).

FIGURE 32:
Support for Increasing Taxes on Medical Marijuana Dispensaries
(Results Among Likely November 2014 Voters)

The current tax rate that medical marijuana dispensaries pay in San Jose is ten percent of their business revenues. Would you support or oppose significantly increasing the tax rate for medical marijuana dispensaries?

Vote	%
Strongly support	48
Somewhat support	17
TOTAL SUPPORT	**65**
Strongly oppose	18
Somewhat oppose	11
TOTAL OPPOSE	**29**
DK/NA	**7**

Results Among Subgroups

- The concept of raising taxes on medical marijuana dispensaries receives broad support across demographic categories. It receives particularly wide support among voters with children at home (72%), Latinos (80%) and younger women (71%). Independent voters are a little less supportive than Democrats or Republicans.

CONCLUSIONS

The results of the 2014 City of San José Budget Priorities Survey lead us to draw the following conclusions:

- San José residents continue to feel positively about economic and public safety conditions in their City, and are even more optimistic than they have been in the past about continued economic improvement.

- Nonetheless, increasing public safety expenditures is a top priority for residents if more funds become available. Residents place particularly high priority on hiring additional police officers, reducing violent and property crime, and improving response times for police, fire, and emergency personnel.

- Voter support among June and November likely voters for extending the existing City library parcel tax is well above the two-thirds threshold required for passage.

- Passage of a general purpose sales tax increase of one-quarter or one-half percent may also be a possibility in November 2014. Support for such a measure is a little lower than recent years' surveys have found, but still above the majority-threshold needed for passage.

- Efforts to regulate and increase the taxes on medical marijuana dispensaries should also find support among likely voters.

APPENDIX A: TOPLINE SURVEY RESULTS

2014 CITY OF SAN JOSÉ COMMUNITY BUDGET SURVEY
320-598 WT
N=901
A/B SPLITS
MARGIN OF SAMPLING ERROR ±3.3% (95% CONFIDENCE INTERVAL)

Hello, I'm_____ from F-M-3, a public opinion research company. We're conducting a public opinion survey about issues that interest residents of the City of San José. **(IF RESPONDENT REPLIES IN SPANISH OR VIETNAMESE, OR DESIRES TO SPEAK ONE OF THESE LANGUAGES, FOLLOW THE ESTABLISHED PROCEDURE FOR HANDING OFF TO AN INTERVIEWER WHO SPEAKS THE APPROPRIATE LANGUAGE.)** We are definitely not trying to sell anything, and we are only interested in your opinions.

(FOR LISTED SAMPLE, READ THE FOLLOWING INTRO:)
May I speak to_____________? **(YOU MUST SPEAK TO THE VOTER LISTED. VERIFY THAT THE VOTER LIVES AT THE ADDRESS LISTED, OTHERWISE TERMINATE.)**

(FOR BOTH RDD SAMPLES, READ THE FOLLOWING INTRO:)
May I speak with the adult in your household who celebrated a birthday most recently? (**IF NOT AVAILABLE, ASK:**) "May I speak to another adult member of your household who is 18 years old or older?"

(RESUME ASKING ALL RESPONDENTS IN ALL SAMPLES)

1. **(T)** Before we begin, I need to know if I have reached you on a cell phone, and if so, are you in a place where you can talk safely? **(IF NOT ON A CELL PHONE, ASK:** "Do you own a cell phone?")

Yes, cell and can talk safely	**(ASK Q2)**	34%
Yes, cell not cannot talk safely	**TERMINATE**	
No, not on cell, but own one	**(ASK Q2)**	44%
No, not on cell and do not own one	**(SKIP Q2)**	22%
(DON'T READ) DK/NA/REFUSED	**TERMINATE**	

(ASK ONLY IF CODES 1 OR 2 "OWN A CELL PHONE" IN Q1)

2. **(T)** Would you say you use your cell phone to make and receive all of your phone calls, most of your phone calls, do you use your cell phone and home landline phone equally or do you mostly use your home landline phone to make and receive calls?

All cell phone	25%
Mostly cell phone	28%
Cell and landline equally	31%
Mostly landline	15%
(DON'T READ) DK/NA	1%

(RESUME ASKING ALL RESPONDENTS IN BOTH RDD SAMPLES)

3. **(T)** I will not need to know your exact address, but in order to help me verify that you live within the boundaries of our interviewing area, could you please tell me what the ZIP code is for your current **ZIPS)**

(RECORD ZIP CODE) ______________

4. **(T)** Do you live in the City of San José or in some other city?

San José	100%
All other responses	**TERMINATE**
(DON'T KNOW/NA)	**TERMINATE**

(RESUME ASKING ALL RESPONDENTS IN ALL SAMPLES)

NOW I WOULD LIKE TO ASK YOU ABOUT SOME DIFFERENT MEASURES THAT MAY APPEAR ON AN UPCOMING CITY OF SAN JOSÉ BALLOT IN A FUTURE ELECTION. PLEASE LISTEN CAREFULLY TO THE DESCRIPTION OF EACH ONE, AND THEN TELL ME HOW YOU THINK YOU MIGHT VOTE.

(ROTATE Q5-Q6 WITH Q7)

5. **(T*)** The **FIRST/NEXT** potential measure is entitled **The City of San José City Services Funding Measure**, and reads as follows:

"In order to provide funding for City services such as police, fire, emergency response, street maintenance, pothole repair, parks, libraries, and youth and senior programs, shall an ordinance be adopted to enact a **(SPLIT SAMPLE A:** one-half percent) **(SPLIT SAMPLE B:** one-quarter percent), retail sales and use tax in San José, for a period of 15 years, subject to existing independent financial audits, with all revenue controlled by the City?"

If there were an election today, do you think you would vote "yes" in favor of this measure or "no" to oppose it? **(IF YES/NO, ASK:** "Is that definitely or just probably?") (**IF UNDECIDED, DON'T KNOW, NO ANSWER, ASK:** "Do you lean toward voting yes or no?")

	SPLIT A: ½%	SPLIT B: ¼%	TOTAL
TOTAL YES	**55%**	**57%**	**56%**
Definitely yes	30%	32%	31%
Probably yes	15%	18%	16%
Undecided, lean yes	9%	7%	8%
TOTAL NO	**39%**	**36%**	**38%**
Undecided, lean no	4%	4%	4%
Probably no	12%	8%	10%
Definitely no	23%	25%	24%
(DK/NA)	6%	7%	6%

6. The structure of this measure has not been finalized. I am going to mention some different provisions that may be included in this measure. After hearing each one, please tell me whether you would be more likely or less likely to support the measure if it included that particular provision. **(IF MORE/LESS LIKELY, ASK:** "Is that much **MORE/LESS** likely or just somewhat?") **(SPLIT C, READ TOP TO BOTTOM; SPLIT D, READ BOTTOM TO TOP)**

		MUCH MORE LIKELY	SMWT MORE LIKELY	SMWT LESS LIKELY	MUCH LESS LIKELY	(DON'T READ) NO DIFF	(DON'T READ) DK/NA	*TOTAL MORE LIKELY*	*TOTAL LESS LIKELY*
a.	**(T)** Continuing the sales tax on an ongoing basis, with no end date	10%	8%	16%	52%	10%	3%	*19%*	*68%*
b.	Limiting the sales tax to no more than fifteen years	21%	22%	14%	27%	13%	2%	*43%*	*41%*
c.	**(T)** Limiting the sales tax to no more than nine years	33%	25%	9%	17%	13%	3%	*58%*	*26%*

(ROTATE Q7 WITH Q5-Q6)

7. **(T*)** The **FIRST/NEXT** potential measure is entitled **San José Libraries Local Funding Continuation Measure**, and reads as follows:

"To continue existing, voter-approved funding for all San José's libraries and services, including: open hours and librarians; up-to-date books and research materials; access to computers and technology; children's reading programs and storytimes; and adult literacy, job readiness, and teen/senior programs, shall the City of San José continue its library parcel tax, subject to independent annual audits and citizens' oversight, with no change in the existing voter-approved tax rate formula?"

If there were an election today, do you think you would vote "yes" in favor of this measure or "no" to oppose it? **(IF YES/NO, ASK:** "Is that definitely or just probably?") **(IF UNDECIDED, ASK:** "Well, do you lean towards voting yes or no?")

TOTAL YES	**81%**
Definitely yes	53%
Probably yes	24%
Undecided, lean yes	4%
TOTAL NO	**15%**
Undecided, lean no	2%
Probably no	3%
Definitely no	10%
(DON'T READ) DK/NA	4%

NOW I AM GOING TO ASK YOU SOME GENERAL QUESTIONS ABOUT LIFE IN SAN JOSÉ.

(SPLIT SAMPLE A ONLY)

8. First, I am going to read you a list of different aspects of life in San José. After I read each one, please tell me if you expect that item to be better or worse twelve months from now. **(IF BETTER/WORSE:** "Is that much **BETTER/WORSE** or somewhat **BETTER/ WORSE**?")

	MUCH BETTER	SMWT BETTER	(NO DIFF)	SMWT WORSE	MUCH WORSE	(DK/NA)	*TOTAL BETTER*	*TOTAL WORSE*
(RANDOMIZE a-d)								
[ ]a. **(T)** Your personal financial situation	16%	38%	28%	9%	6%	3%	*54%*	*15%*
[ ]b. **(T)** The local economy	16%	45%	13%	16%	7%	2%	*61%*	*23%*
[ ]c. Public safety in the City of San José	11%	31%	16%	25%	14%	2%	*42%*	*39%*
[ ]d. Public safety in your immediate neighborhood	13%	31%	26%	17%	11%	2%	*44%*	*28%*
(ALWAYS ASK e LAST)								
e. **(T)** The City's budget	9%	26%	13%	25%	14%	11%	*36%*	*39%*

(SPLIT SAMPLE B ONLY)

9. First, I am going to read you a list of different aspects of life in San José. After I read each one, please tell me whether you currently have a generally positive or generally negative feeling about that item. **(IF POSITIVE/NEGATIVE:** "Is that very **POSITIVE/NEGATIVE** or somewhat **POSITIVE/NEGATIVE**?")

	VERY POS	SMWT POS	(NO DIFF)	SMWT NEG	VERY NEG	(DK/NA)	*TOTAL POS*	*TOTAL NEG*
(RANDOMIZE a-d)								
[ ]a. **(T)** Your personal financial situation	29%	39%	10%	13%	6%	3%	*68%*	*19%*
[ ]b. **(T)** The local economy	18%	39%	11%	22%	11%	1%	*57%*	*32%*
[ ]c. Public safety in the City of San José	20%	39%	8%	19%	14%	0%	*59%*	*33%*
[ ]d. Public safety in your immediate neighborhood	34%	32%	5%	18%	11%	0%	*67%*	*28%*
(ALWAYS ASK e. LAST)								
e. **(T)** The City's budget	6%	19%	11%	31%	18%	14%	*26%*	*49%*

(RESUME ASKING ALL RESPONDENTS)

NOW I AM GOING TO ASK YOU SOME QUESTIONS THAT DEAL WITH SAN JOSÉ'S CITY GOVERNMENT BUDGET.

10. **(T)** First, how closely do you follow the news about San José City government and the City budget: very closely, somewhat closely, not too closely, or not at all?

TOTAL CLOSELY	**50%**
Very closely	13%
Somewhat closely	37%
TOTAL NOT CLOSELY	**49%**
Not too closely	30%
Not at all	19%
(**DK/NA**)	1%

11. **(T)** Thinking about this upcoming year, 2014, do you think that the City of San José will start its budget process with a budget surplus, a balanced budget, or a budget deficit? **(IF BUDGET SURPLUS/DEFICIT:** "Will it be a very large **SURPLUS/DEFICIT** or just a small **SURPLUS/DEFICIT**?")

TOTAL SURPLUS	**11%**
Large surplus	3%
Small surplus	8%
Balanced budget	20%
TOTAL DEFICIT	**55%**
Small deficit	34%
Large deficit	22%
(DON'T KNOW/NA)	14%

12. **(T)** Next, I am going to ask you to imagine you are in charge of San José's City budget. The City of San José has <u>five</u> major priority goals and I would like you to tell me how you would prioritize City spending to achieve these goals. For this exercise, assume you have 100 dollars to spend on all five. After I read you all of the goals, please tell me how many dollars <u>out of 100</u> you would spend on each goal, keeping in mind that <u>the total must add up to 100 dollars</u>. **(READ RANDOMIZED LIST OF GOALS; RE-READ INSTRUCTIONS AS NECESSARY AND ENSURE THAT THE TOTAL DOLLAR AMOUNT EQUALS $100)**

	$0-$10	$11-$20	$21-$30	$31-$40	$41+	MEAN $ AMOUNT
[ ] A safe city	11%	46%	23%	9%	12%	***26.2***
[ ] A prosperous economy	18%	50%	21%	6%	6%	***22.1***
[ ] An attractive vibrant community	39%	52%	7%	1%	1%	***15.6***
[ ] A green, environmentally sustainable city	37%	51%	9%	2%	1%	***16.1***
[ ] A reliable well-maintained infrastructure	22%	55%	15%	5%	4%	***20.1***

TOTAL ---------- **$100**

13. Next, which one of the following <u>five</u> categories of budget enhancements do you feel should be the City's highest priority if additional funding were available in next year's budget? **(READ LIST; IF FIRST CHOICE MADE, FOLLOW UP BY ASKING:** "And which should be the <u>second</u> highest priority?") **(RANDOMIZE)**

	FIRST PRIORITY	SECOND PRIORITY
[ ]a. Increasing branch library hours	9%	10%
[ ]b. Increasing community center hours	6%	7%
[ ]c. Hiring more police officers	49%	19%
[ ]d. Improving fire department response times	11%	35%
[ ]e. Maintaining neighborhood streets	19%	20%
(DON'T READ) All	5%	1%
(DON'T READ) None	1%	0%
(DON'T READ) Don't know	1%	7%

14. Now I would like to ask you in more detail about your priorities for City spending. I am going to read you a series of specific goals that the City may pursue. Please tell me how important each goal I mention is to you as a spending priority: one of the most important, very important, somewhat important, or not too important. **(RANDOMIZE)**

		ONE OF MOST IMPT	VERY IMPT	SMWT IMPT	NOT TOO IMPT	(DK/NA)	*ONE OF MOST/ VERY*
(SPLIT SAMPLE A ONLY)							
[ ]a.	Improving police response time	41%	44%	10%	4%	2%	*85%*
[ ]b.	Increasing the number of sworn police officers	28%	45%	18%	8%	1%	*73%*
[ ]c.	Reducing violent crimes	43%	47%	7%	2%	1%	*90%*
[ ]d.	Increasing residents' feeling of safety in their neighborhoods	31%	44%	18%	7%	1%	*75%*
[ ]e.	Improving response times to fires	34%	46%	13%	5%	1%	*80%*
[ ]f.	Increasing the number of flights at the Mineta San José International Airport	9%	21%	34%	35%	2%	*30%*
[ ]g.	Increasing shopping opportunities downtown	8%	16%	29%	45%	2%	*24%*
[ ]h.	Reducing housing costs	28%	39%	20%	12%	1%	*67%*
[ ]i.	Maintaining and repairing major streets	26%	47%	23%	3%	1%	*73%*
[ ]j.	Reducing litter	13%	36%	39%	11%	1%	*49%*
[ ]k.	Reducing energy use	16%	38%	34%	11%	1%	*54%*
[ ]l.	Opening new community centers	10%	23%	38%	29%	1%	*33%*
[ ]m.	Increasing branch library hours	12%	27%	38%	22%	0%	*40%*
[ ]n.	Providing more recreational opportunities for residents	11%	20%	45%	23%	1%	*31%*
[ ]o.	Improving City customer service	12%	33%	38%	14%	3%	*46%*
[ ]p.	Maintaining and improving public parks	11%	34%	47%	9%	0%	*45%*
[ ]q.	Increasing gang prevention services	31%	46%	19%	3%	1%	*77%*
[ ]r.	Paying competitive salaries to attract and keep high-quality City employees	13%	29%	33%	23%	1%	*42%*
(SPLIT SAMPLE B ONLY)							
[ ]s.	Providing more opportunities for residents to get involved in local government	13%	29%	43%	13%	2%	*42%*
[ ]t.	Improving overall quality of life in San José	24%	42%	24%	8%	2%	*66%*
[ ]u.	Reducing noise pollution from the airport	8%	18%	26%	46%	2%	*25%*
[ ]v.	Increasing recycling and reducing waste	15%	39%	33%	13%	1%	*54%*
[ ]w.	Creating more jobs through economic development	38%	39%	16%	6%	0%	*77%*
[ ]x.	Increasing tax revenue to support public services	10%	28%	37%	23%	1%	*38%*
[ ]y.	Improving the City's emergency preparedness	24%	42%	27%	6%	2%	*65%*
[ ]z.	Increasing the number of building permits issued	9%	24%	35%	28%	3%	*33%*
[ ]aa.	Reducing homelessness	22%	44%	25%	8%	2%	*66%*
[ ]bb.	Reducing property crimes, such as burglary	38%	48%	11%	3%	1%	*85%*
[ ]cc.	Improving response times to medical emergencies	37%	42%	14%	4%	2%	*80%*
[ ]dd.	Increasing shopping opportunities in San José neighborhoods	7%	18%	29%	44%	1%	*25%*

(SPLIT SAMPLE B ONLY CONT.)

	ONE OF MOST IMPT	VERY IMPT	SMWT IMPT	NOT TOO IMPT	(DK/NA)	*ONE OF MOST/ VERY*
[ ]ee. Maintaining and repairing neighborhood streets	22%	44%	28%	5%	0%	*67%*
[ ]ff. Fixing potholes	22%	45%	26%	6%	1%	*67%*
[ ]gg. Improving cleanliness citywide	17%	36%	37%	8%	1%	*53%*
[ ]hh. Reducing graffiti	13%	32%	36%	17%	2%	*46%*
[ ]ii. Increasing San José's use of renewable energy	17%	41%	29%	10%	3%	*58%*
[ ]jj. Providing more cultural activities for residents	8%	22%	40%	29%	1%	*31%*

(RESUME ASKING ALL RESPONDENTS)

NEXT, I WOULD LIKE TO ASK YOU SOME QUESTIONS ABOUT MEDICAL MARIJUANA.

15. As you may know, doctors in California can recommend to their patients the use of marijuana to treat serious medical conditions. There are approximately eighty medical marijuana dispensaries currently operating in San José without the City's approval. The City Council is currently discussing options for regulating these establishments so they can legally operate here. Please tell me which one of the following approaches would be your first choice for the City to use. **(READ LIST) (RANDOMIZE)** (**IF FIRST CHOICE MADE, ASK:** "And which would be your second choice?")

	1st CHOICE	2nd CHOICE
[ ] Shut down all medical marijuana dispensaries in San José	16%	12%
[ ] Adopt regulations to allow the continued operation of medical marijuana dispensaries with clear controls on location and operations to reduce neighborhood impacts	60%	26%
[ ] Allow medical marijuana dispensaries to continue to operate, without any regulations on where and how they can operate, but shut down any that cause neighborhood problems or are too close to schools, homes, or other sensitive areas	21%	46%
(DON'T READ) Other **(SPECIFY)** ______	1%	0%
(DON'T READ) All	1%	0%
(DON'T READ) None	1%	10%
(DON'T READ) DK/NA	1%	4%

16. Medical marijuana dispensaries are currently located throughout San José. Please tell me if you think it would be acceptable for them to continue to operate in the following types of places: **(RANDOMIZE)** (**IF ACCEPTABLE/UNACCEPTABLE, ASK:** "Is that very **ACCEPTABLE/UNACCEPTABLE**, or just somewhat?")

		VERY ACC	SMWT ACC	SMWT UNACC	VERY UNACC	(DK/NA)	*TOTAL ACC*	*TOTAL UNACC*
[ ]a.	Residential neighborhoods	9%	10%	16%	63%	2%	*19%*	*79%*
[ ]b.	Retail and shopping centers	19%	26%	14%	39%	2%	*45%*	*53%*
[ ]c.	Industrial areas, such as where machine shops, warehouses and wrecking yards are located	29%	29%	14%	25%	4%	*58%*	*38%*
[ ]d.	Business centers, such as where corporate and professional offices are located	26%	27%	15%	29%	3%	*53%*	*44%*

17. The current tax rate that medical marijuana dispensaries pay in San José is ten percent of their business revenues. Would you support or oppose significantly increasing the tax rate for medical marijuana dispensaries? (**IF SUPPORT/OPPOSE, ASK:** "Is that strongly **SUPPORT/OPPOSE** or just somewhat?")

TOTAL SUPPORT ---------------------- 65%
Strongly support --------------------------- 47%
Somewhat support ------------------------- 18%

TOTAL OPPOSE ----------------------- 28%
Somewhat oppose -------------------------- 11%
Strongly oppose ---------------------------- 17%

(DON'T READ) DK/NA ------------------ 7%

HERE ARE MY FINAL QUESTIONS. THEY ARE JUST FOR STATISTICAL PURPOSES.

18. **(T)** Do you live in a single-residence detached home, or do you live in a multi-family apartment, mobile home park, or condo building?

Single family detached house ------------ 75%
Multi-family apt/condo ------------------- 22%
Mobile home park --------------------------- 2%
(DON'T READ) Don't know/Refused -- 1%

19. **(T)** Do you own or rent the house or apartment where you live?

Own -- 69%
Rent -- 29%
(DON'T READ) Don't know/Refused -- 2%

20. **(T)** Are there any children under the age of 18 living in your household?

--Yes 33%
No--- 66%
(DK/NA)--------------------------------------1%

21. **(T)** What was the last level of school you completed?

Grades 1-8------------------------------------2%
Grades 9-11-----------------------------------3%
High school graduate (12)---------------- 19%
Some college ------------------------------- 23%
Business/vocational school-----------------4%
College graduate (4) ---------------------- 32%
Post-graduate work/
Professional school------------------------ 14%
(DON'T READ) DK/Refused ------------2%

22. **(T*)** With which racial or ethnic group do you identify yourself: Latino or Hispanic, African-American or Black, White or Caucasian, Asian or Pacific Islander, or some other ethnic or racial background? **(IF ASIAN OR PACIFIC ISLANDER, ASK**: "Are you Vietnamese, Chinese, South Asian or East Indian, or of some other Asian background?"**)**

Latino/Hispanic---------------------------- 22%
African-American/Black -------------------3%
White/Caucasian--------------------------- 44%
Vietnamese -----------------------------------4%
Chinese--4%
South Asian/East Indian--------------------6%
Other Non-Asian/Pacific Islander --------2%
Other Asian/Pacific Islander---------------5%
(DON'T READ) Mixed race--------------4%
(DON'T READ) DK/NA/Refused-------5%

23. **(T)** In what year were you born?

1996-1990 (18-24)--------------------------7%
1989-1985 (25-29)--------------------------8%
1984-1980 (30-34)--------------------------8%
1979-1975 (35-39)--------------------------6%
1974-1970 (40-44)--------------------------8%
1969-1965 (45-49)------------------------ 12%
1964-1960 (50-54)--------------------------7%
1959-1955 (55-59)--------------------------9%
1954-1950 (60-64)------------------------ 10%
1949-1940 (65-74)------------------------ 10%
1939 or earlier (75 & over)----------------9%
(DON'T READ) DK/Refused ------------6%

24. **(T)** I don't need to know the exact amount but I'm going to read you some categories for household income. Would you please stop me when I have read the category indicating the total combined income for all the people in your household before taxes in 2013?

$30,000 and under	13%
$30,001 - $60,000	16%
$60,001 - $75,000	13%
$75,001 - $100,000	11%
$100,001 - $150,000	11%
More than $150,000	11%
(DON'T READ) Refused	25%

(ASK Q25 – Q26 OF BOTH RDD SAMPLES ONLY)

25. Are you a registered voter in the City of San José?

Yes	**(CONTINUE TO Q26 AND Q27)**	86%
No	**(SKIP TO Q28)**	13%
(DON'T READ) Refused	**(SKIP TO Q28)**	0%

(IF "YES" IN Q25 ASK:)

26. Are you registered as a Democrat, as a Republican, as a member of another political party, or as no party preference?

Democrat	50%
Republican	13%
Other/No Party Preference	28%
(DON'T READ) Refused	9%

(ASK ALL RESPONDENTS WHO ARE "YES" IN Q25 AND ASK ALL VOTERS ON THE LISTED SAMPLE)

27. Which of the following best describes how often you vote in local elections: **(READ LIST)**

I never miss an election	44%
I vote in almost all elections	30%
I vote in most major elections, but occasionally miss one	16%
I only vote in some elections, or	5%
I rarely vote	4%
(DON'T READ) Refused	1%

(RESUME ASKING ALL RESPONDENTS IN ALL SAMPLES)

28. Here is my final question. Could you tell me the cross streets of the closest intersection near where you live? **(WRITE IN STREET NAMES)**

Street ____

with
Street ____

THANK YOU VERY MUCH FOR YOUR TIME AND ATTENTION TO MY QUESTIONS.

Gender by observation:

Male -- 49%
Female-- 51%

Language by observation:

English ------------------------------------- 92%
Spanish --7%
Vietnamese ----------------------------------1%

(RECORD BELOW FOR VOTER LIST SAMPLE ONLY)

Party Registration: From file

Democrat------------------------------------ 49%
Republican---------------------------------- 24%
No Party Preference ---------------------- 23%
Other party-----------------------------------4%

FLAGS

F08-- 69%
P08-- 46%
G08 --- 85%
M09--- 49%
P10-- 61%
G10 --- 92%
P12-- 65%
G12 --- 91%
BLANK---------------------------------------0%

VOTE BY MAIL

1--6%
2--- 10%
3+ -- 64%
BLANK------------------------------------- 19%

PERMANENT ABSENTEE

Yes-- 75%
No--- 25%

HOUSEHOLD PARTY TYPE

Dem 1 --------------------------------------- 20%
Dem 2+ ------------------------------------ 19%
Rep 1 ---9%
Rep 2+ --------------------------------------8%
Ind 1+ ------------------------------------- 19%
Mixed --------------------------------------- 26%

CITY COUNCIL DISTRICT

1 --- 10%
2 --- 10%
3 ---8%
4 ---9%
5 ---7%
6 --- 12%
7 ---8%
8 --- 11%
9 --- 12%
10-- 13%